In the two decades following the end of World War II the United States dominated the world economy. Heavy industry, including steel, played a crucial role in this achievement. Some labor unions and their members derived some benefits from the wealth generated by economic growth. Union membership and treasuries expanded and employees obtained wage and fringe benefit improvements. This unique situation, which resulted from the military, political and economic dominance of a single power, bred a sense of complacency in some corporate executives and politicians. This attitude contributed to the growing problems of the U.S. economy from 1965–1985. Japanese and German producers built well-located modern facilities equipped with state of the art technology while our corporate executives responded much more cautiously to technological breakthroughs. By the late 1960’s these conditions enabled them to dominate their domestic markets and become major exporters to the United States. To counter this growing crisis, steel company executives demanded government aid and sought lower labor costs. This policy put increasing strain on management relations with the union and the labor force. By the late 1970’s a wave of plant closings hit Youngstown and later spread to the Mon Valley and other areas.

The recession of the early 1980’s deepened and broadened the crisis. These conditions and the publicizing of the “Japanese economic miracle” led politicians, businessmen and academics to search for new directions. Industrial policy, a Japanese strategy, became popular in some quarters. This approach combined elite decision making with
productivity gains and national planning. Some critics of industrial policy called for reindustrialization. This proposal linked national planning with democratic decentralization and concern about the human elements of social and economic change. While policymakers debated, the large integrated steel producers closed plants and laid off workers in the early 1980's. Steel workers and their families paid a heavy economic and psychological price and the prospects of their communities deteriorated. The federal government and the national union responded tardily to the emergency. In this situation existing and newly formed local groups formulated and implemented survival programs and long term plans. Local unions and unemployed organizations in the Mon Valley established food banks and tried to get assistance for laid off workers facing medical and mortgage problems. The Tri-State Conference on Steel emerged in the late 1970's in response to the Youngstown crisis and later refocused on the problems of the Pittsburgh region. It used eminent domain to achieve worker/community ownership of the steelmills with Midland and Mesta as its principal campaigns. As the organization matured the concept of a Steel Valley Authority emerged and developed. News of the U.S. Steel decision to demolish its Duquesne facility triggered Tri-State involvement. It saw the situation as an opportunity to save jobs and a town and to demonstrate the viability of reindustrialization. As Tri-State centered its attention on this project, the public and private leaders of Pittsburgh announced Strategy 21, a $1.9 billion program of redevelopment emphasizing expansion of the transportation network and the encouragement of high-tech. This juxtaposition of major reindustrialization and industrial policy models offers a test case, with national implications, of two key proposals for economic revitalization.

The end of World War II opened a new era as the economic position of the United States improved as a result of internal strengths and the rebuilding tasks facing the Soviet Union, Western Europe and Japan. This period provided new domestic and foreign investment opportunities for businessmen. Rebuilding the damaged economics of Western Europe and Japan created huge markets. Auto, steel and appliance manufacturers also responded to domestic demand for consumer durables. The steel industry received orders from producers of machine tools, pipelines and power plants. The installation of open hearth furnaces increased output and profits of steel companies. Shareholders received higher dividends, the salaries and bonuses of top executives increased and workers gained wage and fringe benefit improvements. In exchange for these improvements the union accepted management rights clauses which undermined its countervailing power.
By the mid-1960's the Cuban Revolution, the Vietnam War and OPEC undermined the global hegemony of the United States. The Soviet Union rebuilt its economy and challenged the political and military position of the United States. In the economic sphere, Japan and Germany emerged as major powers and leading exporters. Their ability to capture a growing share of the U.S. steel market epitomized their new position. In less than two decades a critical shift in the standings of steel producing nations undermined our domestic producers. For more than fifty years our major steel companies exhibited indifference to new technology, but distance and lack of fundamental technological change forestalled financial retribution. In the late 1950's, however, the absence of a competitive attitude became important.

Foreign producers developed and installed modern equipment, particularly the basic oxygen furnace while United States Steel and Bethlehem Steel waited until 1964. The technology reduced capital and operating costs and gave European and Japanese producers a major advantage. Continuous casting provided a second illustration of the costs of technological conservatism. Although this technique reduced energy costs, improved labor productivity and lowered labor costs, U.S. producers lagged far behind Japan and West Germany in adopting this technology. Instead, domestic producers invested in short term capital projects; a policy which left the industry with smaller, less productive plants in the late 1960's.

These developments led to increasing imports into the United States and declining profit rates for domestic producers. Steel executives saw rising costs as the key factor and pinpointed energy prices and labor costs as the chief culprits. This analysis led them to look to the government and the labor force for relief. They sought government flexibility in pollution control enforcement and signed the Experimental Negotiating Agreement of 1973 which forbade strikes and moderated wage increases. However, the problems of the industry increased and by the late 1970's the crisis reached a new stage with Youngstown as its center. Massive layoffs began with the Campbell Works of Youngstown Sheet and Tube in 1977 and climaxed with the closing of the Brier Hill mill of Jones and Laughlin and the Ohio and McDonal Works of U.S. Steel in 1979. These decisions cost 10,000 jobs and undermined the economic base of the Mahoning Valley. Some residents responded by forming a coalition of steel workers, local business people and community organization leaders under the direction of local clerics. They proposed reopening the plants under local ownership and raised millions of dollars in “Save our Valley” pledges. Consultants designed a modernization plan which steel industry experts considered feasible. However,
the opposition of U.S. Steel and the failure to obtain federal loan guarantees doomed the project. Nevertheless, steel workers from Ohio and Pennsylvania occupied U.S. Steel headquarters in Youngstown in an action which signaled the broadened geographical focus of the steel plant closing issue. Now other steel workers felt threatened by the possibility of a huge new steel complex in Conneaut, Ohio and the spread of plant closings to the Mon Valley.2

By the early 1980’s a severe recession aggravated the structural problems plaguing the steel industry and produced devastating problems for steel workers and steel towns. Slackened production in the auto, construction and energy industries undermined the steel industry’s major markets and it suffered from increasing imports and the growing popularity of plastics and aluminum. Brazil and South Korea joined Japan and West Germany as efficient producers and exporters to the United States. The pressure on profits led executives to again seek relief from the federal government and its labor force. Major steel companies closed plants and curtailed production, particularly in its older plants. In the four-county area around Pittsburgh nearly 65,000 of 90,000 basic steelworkers remained on indefinite layoff in the summer of 1983. As employment declined and the tax base shrieved public services and the quality of life in steel towns atrophied.3

However, this crisis failed to generate strong responses from federal government officials and the top leadership of the United Steelworkers of America. This neglect left relief and reform in the hands of the steel workers and other community residents. Some local unions responded by creating food banks and sponsoring diverse survival programs. The Denominational Mission Strategy, a Protestant ministerial group, tried to convince the state government to provide job retraining, restoration of municipal services and support for new municipal services. The governor’s office rejected the request and the organization turned to corporations and tried to convince them to pressure politicians to aid the Pittsburgh area. Their campaign targeted the investment policies of Mellon Bank and used a “Pledge Card Campaign” to withdraw money from the bank and tarnish its public image. The Mon Valley Unemployed Committee operated food banks, supplied “walk in” counseling and provided a “hot line” which offered information about solving housing, welfare and health problems. It picketed banks, secured injunctions and met with bankers and government officials to highlight the mortgage foreclosure issue. Later it helped to establish the National Unemployed Network and formulated an action program to achieve a decent standard of living for all.4
As the national scope of the economic crisis became more evident, analysts and policy formulators offered diverse programs to rejuvenate the economy. “Industrial Policy” received the approval of progressive businessmen, Democratic politicians and AFL-CIO leaders. This approach called for tripartite decision making by government, business and labor directed toward attaining economic growth, productivity improvements and the revival of smokestack industries. Japan’s success in using national economic planning increased the popularity of this strategy. However, some academics saw flaws as well as strengths in this proposal and offered another path to revitalization. Barry Bluestone and Bennett Harrison called for “reindustrialization with a human face.” They deplored frenetic capital flight and viewed a strong domestic steel industry as an essential component of a worthwhile modern society. Their program included expansion of the social safety net, the passage of effective plant closing legislation and national economic planning. Achievement of a democratic society also involved more attention to the provision of public goods such as housing, health care and transportation services and broadening participation in the decision making process. In contrast to the elitism of “Industrial Policy,” Bluestone and Harrison favored democratic decentralization, more specifically, they supported labor-community-church coalitions as important mechanisms to create a more hospitable and democratic society.5

The intensifying crisis and the absence of effective external assistance led to the formation of the Tri-State Conference on Steel in 1979. It emerged as a coalition of union members, clergy and community activists designed to support the efforts of Youngstown steel workers to save their mills, jobs and city. Ohio activists Staughton Lynd and Reverend Charles Rawlings took the lead and the group conducted demonstrations, initiated court actions and occupied U.S. Steel facilities in Pittsburgh and Youngstown. When the closing of the Youngstown mills became conclusive, Tri-State shifted its attention to the Pittsburgh region. In the early 1980’s it protested against the construction of the Pittsburgh Plate Glass building in downtown Pittsburgh as a case of “eminent domain for the rich” and condemned the demolition of small businesses in the path of the project. The eminent domain issue surfaced again when the Jones and Laughlin Steel Company used eminent domain to gut a Hazlewood neighborhood to create room for plant expansion. This period also witnessed the consolidation of the structure of the organization and its use of the doctrine of eminent domain to aid steel workers and their communities. This doctrine, which establishes the right of public agencies to acquire private property to protect the
public safety, health and interest, has a long history and legislative justification. Section 306 of the Pennsylvania Municipal Authorities Act of 1945 granted borough councils the power to establish a "public authority" to acquire and develop existing industries by use of the power of eminent domain.  

In 1981–82 Tri-State publicized the possibilities of using eminent domain to save steel mills. Its researchers sought sources of funding to provide owners with just compensation. They discovered that municipal authorities could issue bonds, interested buyers could supply the capital and the pension funds of workers could be used. Their initial opportunity to implement eminent domain came in the summer of 1982 when the Crucible Steel Company in Midland, Pa., announced its closing. Several factors favored the use of eminent domain in this situation: the existence of a municipal authority, the presence of a company interested in operating the facility and a relatively new mill. However, this initiative failed as lack of time prevented the development of a strong base of support among local steel workers and town leaders, led by the solicitor, labeled Tri-State leaders as outsiders and opposed the project. The Mesta Machine Company in West Homestead became the site of another effort. In this case lack of support from top leaders in the union and tactical mistakes by some Tri-State leaders undermined the project. Nevertheless, this attempt publicized "eminent domain for the people" and generated support on the West Homestead Borough Council. 

By the middle of 1983 most of Tri-State's activities focused on the development of a "Steel Valley Authority." This effort fitted into its plan for a series of regional redevelopment programs to revitalize traditional industrial centers. It saw western Pennsylvania, eastern Ohio and northern West Virginia as a project which, with regional variations, could serve as a national model. Steel production would become the core of a general rebirth embracing the coal, electrical and transportation sectors. More specifically, Tri-State envisioned the creation of an Authority similar to the Tennessee Valley Authority but operating as a locally controlled, government supported community corporation rather than an agency of the federal government. Funding would come from several sources with the federal government playing the primary role through low interest loans, bonds and purchase contracts for infrastructure investments. These public purchases and private purchases would comprise the major markets of the new steel facilities. The Authority would be run by a Board of Directors appointed by the government entity which created it. Plans included
provisions for community group representatives on the Board and mechanisms giving workers a direct voice in the production process. As Tri-State pursued its Steel Valley Authority approach, the national economic picture began to turn brighter. By the mid-1980’s economic growth reached higher levels and the unemployment rate declined to less than 7.5%. The Pittsburgh region shared in some of this prosperity as new skyscrapers and corporate headquarters dominated the downtown landscape. Carnegie Mellon University achieved a national and international reputation in high-tech and Pittsburgh’s hospitals and medical research facilities pioneered in medical procedures. However, some areas and residents failed to participate in the economic upsurge. Regional unemployment remained over 10% in the summer of 1985 and lower paying service jobs increased while higher paying manufacturing jobs stabilized at a very low figure. An interim report of the Task Force on Unemployment of the Roman Catholic Diocese estimated 200,000 persons within a six county area who wanted full-time work and could not find it. Allegheny County’s rate stood at 16%, a figure which included the unemployed, part-time employees seeking full-time work and discouraged workers no longer seeking work. The drastic decline in raw steel production and finishing operations continued as the Pittsburgh region’s share of steel production fell from 19 to 14%. Partial mill closures and complete shutdowns became more common causing the loss of over 20,000 steel jobs and many more in related and dependent industries in the Mon Valley between 1980–1985. U.S. Steel’s decision, in 1984, to close the Duquesne facility fitted into this pattern of abandonment, but this story had a distinguishing characteristic. Independent studies indicated that the facility retained economic and market viability, particularly the No. 6 Blast Furnace (Dorothy Six) whose production level rose from 2,900 tons per day (1962–1980) to 3,700 tons per day while achieving several major quality improvements. These achievements received recognition from the top officers of the company and the industry in general. The basic oxygen facility also achieved significant gains in quality level, production rates and cost improvements. The decision to close down the facility had profound implications for the town and its citizens. At its peak in the 1940’s the plant employed 9,000 workers and operated 32 open hearth furnaces. As recently as 1981, 3,200 workers remained on the payroll. Dequesne, a town of 10,000 residents, experienced the effects of a shutdown in declining
commerce and reduced revenues. The IGA Supermarket closed as steel workers turned to food banks rather than stores. Other merchants felt the "pinch" as main street and shopping plaza stores experienced declining sales. The town of Duquesne lost tax revenues and fees and the school district suffered drops in real estate and wage tax payments. These losses would mount in the event of a total and permanent closure of the facility. On a personal level, relatively few steel workers found comparable employment with most of them unemployed, part-time workers or working at low wage, full-time jobs.11

In early 1985 U.S. Steel's giant Duquesne Works became the center of a major campaign to revitalize the Mon Valley's steel industry. Under the leadership of the Tri-State Conference on Steel, a coalition of USW locals, community groups politicians and USW leaders coalesced around the issue of saving jobs. U.S. Steel's decision in October 1984 to raze 100 acres of the mill for an industrial park triggered the emergence of the unprecedented alliance. Earlier efforts by Michael Bilscik, President of USW Local 1256 which represents the Duquesne workers, to work out an Employee Stock Ownership Plan or negotiate a package composed of concessions and work-rule changes failed to avert the closure. In the aftermath of the U.S. Steel decision, local 1256 turned to the Tri-State Conference on Steel for assistance. The decision initiated the most impressive effort of the Tri-State to revive the steel industry.

Tri-State pushed for and obtained financial support from the international union, Allegheny County and the City of Pittsburgh to conduct a feasibility study on the plant. The company responded to this initiative by agreeing not to demolish the No. 6 blast furnace and other productive facilities before February 2nd when the results of the feasibility study would be made public. Locker/Albrecht Associates, Inc., a New York consulting firm, undertook the task and hired investment bankers to study financing and marketing opportunities for the plant. Shortly thereafter the Locker firm released the Preliminary Report of its "Feasibility Study of the Duquesne Works' Blast and Basic Oxygen Furnaces." These researchers reached the following conclusions: there is a growing market in the United States for the type of semi-finished products available from Duquesne; Duquesne could be a low cost producer; its workforce is exceptionally skilled and highly motivated; and key equipment could be restored to former operating levels with relatively modest expenditures. However, to achieve international competitiveness major changes would be required. The Report pinpointed key areas including installation of a $150 million continuous caster, significantly reduced operating costs, extensive manning reductions and
innovative changes in labor-management relations. On the basis of these findings the drafters recommended the restoration of the Duquesne facility and noted its potential for enhancing the revitalization of steel production in the Mon Valley. Allen J. Sarver, a former steel company executive, concurred with this assessment and saw tremendous opportunities resulting from the revival of the Duquesne plant. David Roderick, U.S. Steel's Chairman of the Board of Directors, demurred. He described the takeover proposal as a dream that won't work. Nevertheless, the company agreed to postpone demolition and undertake an internal study of the plant to test the validity of the Locerk/Albrecht feasibility study. The U.S. Steel study faulted the Locker report for its excessive optimism about the availability of markets and its underestimation of the costs of modernization, especially the installation of a continuous caster. The union countered the company's rejection of its initial study by commissioning a new one. The second feasibility study prepared for Lazard Freres & Co. and Russell, Rea & Zappola by Rosa Torres-Tumazos, an independent consultant specializing in steel industry research and international trade, concluded that the domestic demand for semi-finished cost steel will grow in the late 1980's and outstrip supply. Duquesne's market range of 300 miles included six potential buyers of ingot rolled or continuously cast semi-finished steel with a total demand of 1.3 million tons annually. If domestic producers failed to expand and upgrade semi-finished production increased imports of finished and semi-finished steel would result. After the release of the report David Roderick and technical executives of the company met with the investment bankers hired by the union to discuss the feasibility of restarting the facility. The meeting represented no change in the company's position on closure although a few days earlier the company announced a delay in its June 10th deadline for demolition of the facility. This delay failed to alter the ongoing plant vigil of the union and Tri-State designed to prevent the company from dismantling the plant. They recruited George Lakey, Coordinator of Pennsylvania's Jobs with Peace Campaign, to train vigil participants in peaceful disobedience. The training sessions emphasized the benefits of nonviolent strategy, the value of training and methods of responding to arrest and physical confrontations. Communications, quick decision exercises and role playing also received attention. Tri-State moved on several other fronts, sometimes in collaboration with the USWA, to increase public awareness and raise money for the Duquesne action. Jesse Jackson came to the area to lend his voice to the Duquesne struggle. A Duquesne mass meeting of 700 in early January
heard the highlights of the Locker Report. In April a rally and march for "Jobs-Peace-and-Freedom" in Pittsburgh included a plant closings protest at the U.S. Steel Building. Public activities climaxed with a rally and march on May 18th where clergy, labor leaders and politicians delivered speeches about the need to rejuvenate the Duquesne steel facility and marchers paraded down Grant Avenue in Duquesne to dramatize the need to save jobs, families and communities. Benefit concerts, recording and selling records, and sales of T-shirts and other "Save Dorothy" accessories raised money and public consciousness.¹⁴

Tri-State also forged ahead in building a Steel Valley Authority. By the summer of 1985 numerous municipalities had voted to join the Authority including McKeesport, Homestead and Swissvale. Most important, the Pittsburgh City Council unanimously approved the city's participation in the project and pledged $50,000 toward start-up costs. On June 18th the Steel Valley Authority held its founding conference. The elected officials and solicitors in attendance reached agreement on the purpose of the authority, the role of municipalities and the financial aspects. Tri-State representatives forecast that the structure would be in place by Labor Day. The Urban Affairs Committee of the House of Representatives of the Pennsylvania Legislature voted to send to the full House of Representatives a bill establishing procedures by which a public authority could take over an industrial plant for operation or resale. If enacted, the legislation would enable an authority established by local governments to take over Dorothy Six and sell it to a group of workers who wanted to operate it.¹⁵ The process took longer than its supporters anticipated. However, by mid-November the incorporation papers for the authority had been filed in Harrisburg. It will attempt to restore the region's heavy industrial base and bring in new types of industry.

No clear assessment of Tri-State's Duquesne undertaking as an experiment in reindustrialization emerges from the vantage point of August 1985. Tri-State and the USWA could find consolation and hope in preventing the demolition of the Duquesne facility and in organizing a movement that offered a plan for renewal of the plant and generating public and political support for Dorothy Six and the Steel Valley Authority. Their efforts, however, failed to generate jobs and left many steel workers suffering from physical and emotional problems caused by unemployment. The Duquesne Borough Council failed to join the Steel Valley Authority as town politicians saw more promise in a proposed industrial park than a revitalized steel mill offering employment to steel workers, many of whom lived in working class suburbs. The Tri-State
plan received a warmer reception from some residents and workers in towns threatened by extensive layoffs. Activists trying to save the Aliquippa Works of LTV got organizing tips from Tri-State leaders. The company closed the plant in late June because of inadequate markets for its products by agreed to cooperate with a study to determine whether coke, iron and steel making facilities could be independently operated. Some politicians, including Richard Caliguiri, supported the feasibility study and tried to raise money to finance it.\(^\text{"16"}\)

News of the possibility of closure of WABCO facilities in Wilmerding and Swissvale with the loss of 2,000 jobs has led Charles McCollester, Chief Steward of Local 610UE and a Tri-State leader, to give serious consideration to the Tri-State plan as a response to a shutdown.

Late November brought more bad news with the announcement that American Standard had completed plans to phase out operations at its Wilmerding and Swissvale plants with the loss of 2,000 jobs and move much of the work to other sites in the Southern United States and Canada. The company's rationale emphasized excess manufacturing capacity, very difficult competitive pressures and high and increasing costs. In its rebuttal Local 610UE officials pointed to the handsome profit earned by the company in the first nine months of 1985 and ascribed the decision to greed and disregard for the host communities. The union undertook a campaign to keep the plants open by contacting public officials and prominent citizens including Richard Cyert, President of Carnegie-Mellon University. These efforts produced a limited response and the UE turned to direct action and the forging of new alliances. Several busloads of union members went to New York City to picket outside company headquarters. Union officials saw this action as part of a corporate campaign to pressure the company's customers, banks and outside directors. They are also supporting the efforts of the Steel Valley Authority as a means of mobilizing community, clergy and labor support and saving the two plants.\(^\text{"17"}\)

Tri-State experienced major changes as a result of its role in the Duquesne campaign. In a positive vein, the organization received a grant which enabled it to expand operations by hiring more organizers and other staff. The new staff generated more publicity for activities, reached out to members of the state legislature and other politicians and pursued the Steel Valley Authority concept more vigorously. The coalition supporting projects expanded as the United Steelworkers of America offered money and personnel and Lynn Williams, James Smith and Andrew "Lefty" Palm brough national figures to Duquesne and lent "legitimacy" to the undertaking. The expanded organization
had drawbacks as well. Political differences surfaced as leaders offered diverse agendas and disagreed about the decision making process. Some participants raised questions about the ongoing suitability of the "democratic-participatory-familial" process of debate and decision making with Father Garrett Dorsey, Chairperson of Tri-State, harnessing the energies of strong, divergent personalities for common programs. Potentially divisive issues arose in August 1985 with discussions about the proposed ESOP for Duquesne and the role of Tri-State in its formulation and the position of some Tri-State leaders in the forthcoming battle between Ron Weisen and "Lefty" Palm for the directorship of District 15 of the USWA. The Duquesne issues also brought opportunities for renewal of promising connections with other community organizations. DMS placed more emphasis on seeking jobs for the unemployed and lobbied the state legislature for the establishment of a minimum wage of $7.50 an hour for workers employed in new plants as a result of layoffs. This approach dovetailed with Tri-State's program to provide high wage employment to laid-off steel workers. The MVUC helped to lay the groundwork for an unemployed committee in Aliquippa. This project and their focus on mortgage assistance, utility shutoff prevention and legislative lobbying complemented the Tri-State emphasis on feasibility study for the plant and possible future consideration of an eminent domain strategy.18

In order to broaden its geographical base and integrate its activities Tri-State leaders issued a call for a "Working Conference on Regional Reindustrialization" to be held in Homestead on December 7th. Its purpose was to start a planning process to use reindustrialization and infrastructure to revitalize the region and create jobs. Mike Stout, in his keynote presentation, stressed the key themes of the conference: the need for a manufacturing base to undergird the fabricating, service and high-tech sectors, the importance of infrastructure rebuilding along with coordinated regional development of the railroads, steel and coal industries and building coalitions to generate a mass movement supporting a Steel Valley Authority. Ann Markusen, a regional planner at the University of California, Berkeley, insisted that the world needed steel for long time development. A reversal of the current plight of the industry in the United States required a transformation of federal government policy and expenditures which would shift attention from military hardware to a focus on infrastructure construction and spending for welfare purposes. The industrial heartland would most likely have to take the initiative to reverse the trends towards increasing exports of arms and services and declines in the exportation of machin-
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ery. Professor Markusen contended that a revitalized U.S. steel industry required a large national level public sector investment program. To achieve this goal its supporters must document regional and sectoral linkages to make the case and then mobilize a mass political movement to bring the plan into being. Cynthia Deitch, a sociology professor at the University of Pittsburgh, discussed linkages from another vantage point by discussing the importance of connecting workers in the industrial sector with clerical and high-tech employees, often women. Her presentation touched on a sensitive area, the limited role of women and Blacks in the Steel Valley Authority, especially as members of its Board of Directors.19

In spite of these internal difficulties Tri-State continued to push for the Steel Valley Authority linked to the construction of mass transit systems and infrastructure facilities. Several mass transit proposals surfaced including a plan for the construction of a train system between Philadelphia and Pittsburgh. The Independent High Speed Intercity Rail Commission has explored the feasibility of this project for almost four years and has generated some political support in western Pennsylvania. Charles McCollester favors an alternative approach calling for the construction of a dense mass transit system in Allegheny County and hopes to obtain support from the county commissioners. Researchers have documented serious deficiencies in our basic public works system. More specifically, they pinpointed obsolete and decaying bridges, crumbling highways, deteriorating rail facilities and leaky water and sewer mains. A report from the Southwestern Pennsylvania Regional Planning Commission released March 14, 1985 addressed the deficiencies of the district’s bridge problem which it labeled “the worst in the nation” with 38 percent of the bridges deficient. Solving the bridge problem would involve an expenditure of almost $1 billion according to the Commission’s chairperson, an amount far in excess of the region’s current shares of the statewide bridge plan. U.S. Representative Robert Edgar echoed these findings about crumbling infrastructure during a tour of idled and partially closed steel mills in the Mon Valley. He linked repair of the infrastructure to saving steel industry jobs by calling for the reopening of the Duquesne facility as a source of steel to rebuild crumbling roads, bridges, water and sewer systems. The U.S. Corps of Engineers has begun the process of rehabilitating key locks in the Pittsburgh district. Charles McCollester and other Tri-State leaders support an expansion of the organization’s focus to encompass the coal industry. One tangible proposal calls for using the Westinghouse facility as a coal research center.20
While Tri-State has worked for reindustrialization through democratic decentralization, some public and private leaders formulated an alternative scenario for the future of the Pittsburgh region; one more compatible with the conservative industrial policy they espouse. In mid-June 1985 Pittsburgh, Allegheny County and university officials released a report describing a $1.9 billion blueprint for reshaping the economy of western Pennsylvania in the next century. Drafters of this "Strategy 21" plan requested state funding in five areas to achieve a diversified economic base and take maximum advantage of trends toward progress in advanced technology, international marketing and communications systems. They highly rated airport expansion, Allegheny River redevelopment, Mon Valley redevelopment, transportation improvements and high-technology research activities. An examination of the dollar figures attached to the components of the strategy provides a better sense of the priorities of its drafters. Of the $425 million requested from the state of the breakdown included $97 million for airport expansion and airport area redevelopment, $36 million for Three Rivers Stadium development, $76 million for the southern expressway, $30 million for routes 885 and 837, $30 million for a robotics center and $28 million for a biotechnology manufacturing center. These projects have the potential for generating economic growth and employment. They can create a market for steel and jobs for steel workers. However, the projected expenditures don't support the stated goal of reinforcing the region's traditional economic base as a center for the metals industry. For example, the state funding requested for Duquesne Works Development was $5.5 million, $3.0 million for Homestead Redevelopment and $0.5 million for West Homestead Redevelopment. Except for Duquesne, with a projected job creation capacity of 500-1,500, these projects also suffer from lack of major job creation potential with Homestead targeted for 200 and West Homestead for 20.21

Although the industrial policy and reindustrialization approaches include some overlap, particularly in their focus on national planning and preservation of heavy industry, they diverge in assigning importance to economic and human elements and in their decision making process. Reindustrialization places more emphasis on the social balance sheet and human considerations and favors a more democratic decision making process in the political system and the work place. Pittsburgh's industrial policy advocates give more attention to high technology. They praise Carnegie-Mellon University's huge Department of Defense software contract and its robotics center and take pride in the growth of
small high technology firms. These developments, however, lack large employment creation potential and small high technology companies often pay relatively low wages and provide a few slots for older, less skilled and less educated workers. Tri-State places the subject in a wider context in its assertion that a consumer economy can’t support the region, high technology jobs can be exported and high technology rests on basic industry and is supported by it. The men and women who lost their jobs in Duquesne and other steel mills can’t find comparable employment in high technology facilities and would derive more benefits from a partial revitalization of the metal producing sector.22

These divergent prescriptions for economic development hold importance for the nation as well as the Pittsburgh region. One approach fosters defense expenditures and high-tech while the other avenue emphasizes industrial revitalization, infrastructure construction and revenue for welfare state programs. As Reaganism recedes, a struggle between the supporters of industrial policy and reindustrialization seems likely. 23 At the moment the odds favor the exponents of urban revitalizations and industrial policy who can point to the “successes” of Renaissance Pittsburgh and the campaign of Felix Rohatyn to save New York City from bankruptcy. The Tri-State Conference on Steel faces problems in finding a replacement for the Duquesne project. However, the LTV facilities in Aliquippa and Pittsburgh and the factories of the American Standard Company in Wilmerding and Swissvale could become the focal points of new campaigns. The UE and Tri-State initiated a feasibility study of the American Standard Company sites and hope to establish a public private coalition to own and operate them.24 Although Tri-State has generated some public and private support for the Duquesne undertaking, the dominant view about the economic future of the Pittsburgh region can be seen in the economic policies of U.S. Steel. The company has curtailed its operations in the Mon Valley while arranging from the purchase of Texas Oil and Gas and negotiating a joint venture with Pohang Iron and Steel Co. Ltd., Republic of Korea. In contrast to its policies of disinvestment in heavy industry facilities in the Pittsburgh region, U.S. Steel and Westinghouse along with other leading corporations joined public officials in a joint effort to maintain the Pirates in Pittsburgh. If in spite of these imposing obstacles, Tri-State and the Steel Valley Authority continue to grow and attract more public recognition they could provide a model for the creation of regional authorities with the ability to revitalize and democratize American society.25
NOTES


17. Chet Wade, "WABCO to decide on closing," *Pittsburgh Post-Gazette*, July 20, 1985,


23. Another approach with long term implications is offered by Stanley Aronowitz, “Why Work?”, Social Text (Fall 1985), 19-42 who calls for the abolition of labor beginning with a shorter work day and a guaranteed annual wage. He sees this change as a prelude to the emergence of new forms of life which would empower individuals. Aronowitz views the labor movement as a catalyst in producing all of these changes.

24. The report of Lazard Feres & Co., an investment banking firm commissioned to produce a marketing and financing study of the Duquesne facility, issued its findings on January 8, 1986. It concluded that the facility couldn’t be operated profitably in light of $300 million in start-up costs, including $200 million for a new continuous caster, and a cost of $214 a ton for semi-finished slabs. In the face of subsidized European and Republic of Korea producers, the facility wouldn’t be an attractive investment for private capital. More generally, its author, reached gloomy conclusions about financing possibilities. “Financing a project such as the proposed Duquesne Works would be difficult under the best of circumstances. At present, the low level of steel prices and the uncertain level of steel demand make financial feasibility impossible. No prudent lender will take a chance on a company when the projections show losses even at high levels of operation, unless the borrower has sufficient equity or other resources to withstand a long period of losses. The private markets will not supply capital on this basis.” Nevertheless the project provided a role model for other communities and raised the issue of community involvement in decision-making about the future of industrial plants. Jim McKay, “USW study may spell end to Dorothy revival,” Pittsburgh Post-Gazette, January 8, 1986, 1, 10; Don Hopey, USW report says Dorothy Six can’t earn profit,” Pittsburgh Press, January 8, 1986, A1, A12; Jim McKay, “USW: Dorothy lessons ‘valuable,’” Pittsburgh Post-Gazette, January 9, 1986, 12; David Morse, “The Campaign to Save Dorothy Six,” The Nation, September 7, 1985, 174-76; Lazard Feres & Co., “Report to the United Steelworkers of America: Dorothy Six Financial Feasibility of Reopening of the